

sadder is that the Clinton administration is buying it.

Madam Speaker, with a national minimum wage increase, Ed Satell won't have the choice between New Jersey and Pennsylvania any more and many of his young workers will just be out of luck.

TRADE

The SPEAKER pro tempore (Ms. MOLINARI). Under a previous order of the House, the gentlewoman from Ohio [Mr. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Madam Speaker, the U.S. merchandise trade deficit widened last year to \$166 billion, the worst performance in the history of the United States. What does that \$166 billion deficit mean? It means \$166 billion worth of U.S.-made goods were lost to import sales in our own marketplace. It means jobs lost here in America. And it means in order for us to pay the bills, more foreign investment here in the United States on which our people end up owing principal and dividends to others off shore, not ourselves.

Incredible as it may seem, what does the executive branch's Trade Ambassador say about all of this? Well, he just turns his back. He said, "It is not the worst." He says he is happy as a clam that exports rose 12 percent last year.

But, my friends, that is only half the ledger, because imports rose even more, nearly 16 percent. The flow is heavier and heavier in the wrong direction. If you are \$166 billion more in the hole, how can it be a good outcome?

In fact, the trade numbers for last year were worse than they were in 1993 and worse than in 1992 and worse than in 1991. If this administration's trade policies are so good, why are the numbers worse than even in the Bush years which, by the way, back then were the worst ever in the history of the United States? Remember, each lost billion represents 20,000 jobs the United States shuttled out to somewhere else.

Think about this. Last year the United States sucked in a staggering \$800 billion worth of foreign-made goods, much of the goods we used to make here. And have you noticed prices have not gone down?

We sucked in \$66 billion more from Japan than we exported from them. That has been a continuing hemorrhage through our adult lifetimes. We sucked in \$26 billion more from China than we exported there, a nation not known to respect political freedoms for a free market or the rule of law. And this year it is anybody's guess how many billions more we will suck in from Mexico that we export down there. Our former trade surplus with Mexico bit the dust late last year, even before the peso devaluation.

So, when you look at your paycheck and wonder why you have not been keeping pace with price increases, ask yourself what would happen if the

United States and your community made \$800 billion more of goods right here in the U.S.A.? Think about it. For those of us old enough to remember, we would be in Ozzieth and Harriet land once again.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

[Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

MEXICAN BAILOUT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. DEFAZIO] is recognized for 5 minutes.

Mr. DEFAZIO. Madam Speaker, a lot of news is about trade today and it is all bad or it is bad if you care about the economic future in the United States and you care about the conditions of working people and wages in the United States. Might be good if you are a multinational corporation and looking for cheap labor elsewhere and looking for ways to profit. But not to further the future and the economic prosperity of our own Nation.

The administration is very proud they finally struck a deal on the Mexico bailout. Great deal: \$20 billion, \$20 billion up front from the United States of America. Mr. Kantor, the special trade representative, is downright proud that we were able to get this deal. And it is a really bad deal for people on both sides of the border, it is an incredibly bad deal for the people of Mexico. It is expected that it will cause a recession in Mexico, it will drive interest rates up to 50 percent in Mexico, it will cause businesses to fold in Mexico because most of them have adjustable loans so their rates are going up dramatically and quickly.

Banks will fold in Mexico. And wages are now at 40 percent of the level of 1980, despite the increases in productivity.

Well, maybe it is a good deal on our side of the border and that is why he is so happy. Well, maybe not.

First off, \$20 billion at least. We do not know how much money the Federal Reserve has secretly shipped to Mexico, how much we are involved in the funds coming from the international institutions.

But it is a lot of money. And money that could have been spent productively here at home.

But beyond that we have some analysis now, analysis by DRI McGraw Hill, a private consulting firm in Lexington, Massachusetts. It says that U.S. exports to Mexico will drop by \$10 billion this year, leading to a loss of 350,000 U.S. jobs. So we are going to pay \$20 billion of our taxpayers' money to ship 350,000 family-wage jobs to Mexico. Now that is a great policy.

But they tell us do not worry, it is all short term, it all will get better. In

fact, Chase Manhattan has a memo and it says quite frankly they can fix the problems down there in Mexico, they just have to do a couple of things. The government will need to eliminate the Zapatistas to demonstrate their effective control of the national territory and of security policy, if they want to encourage further investment in Mexico.

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It seems Chase Manhattan is pretty upset that they wagered—and that is what this is about—wagered a huge amount of money in Mexico trying to get obscene rates of return. Now they are upset that the junk bonds they bought have turned truly to junk and are worthless.

These are policies that are not in the long-term interests of the United States of America, nor the people of Mexico. It is time that we began to get straight about our trade policy in this country.

I introduced legislation earlier this year to repeal the benighted NAFTA Agreement, and at the time people thought, "Well, that is a pretty far-out thing." I would say, given the events since then, given the massive bailout, given the huge loss of jobs we now admit we are going to suffer into the indefinite future, is it not time to revisit that agreement?

It is not good for people on either side of the border. It causes tremendous harm.

Let us rip it up and start over again.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. SCARBOROUGH] is recognized for 5 minutes.

[Mr. SCARBOROUGH addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

FEBRUARY 22, 50TH DAY OF THE 104TH CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Madam Speaker, Wednesday, February 22d marks the 50th day of the 104th Congress—the half-way point of the most successful "100 Days" periods in decades. We have conducted more committee hearings, held more votes, and debated the issues longer and harder than any Congress in recent memory. We made real progress on the Contract With America we pledged to enact. But most important is what all this activity means to families in our communities and our districts.

It means with the passage of our crime bills that our communities and states will have the flexibility to decide how best to spend federal crime